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# **News Release**

FOR IMMEDIATE RELEASE  
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## **Charges Filed in Leech Lake Corruption Case**

Minneapolis - A superseding indictment was filed today in federal court charging Craig Keith Potts of Prior Lake, Minnesota, and Michael W. Johnson of Bloomington, Minnesota, with crimes resulting from an investigation of possible corruption of casino development and contracting practices involving the Leech Lake Band of Ojibwe. Specifically, Potts, age 35, is charged with one count of conspiracy, two counts of bribery, one count of wire fraud, two counts of making a false statement, and two counts of obstruction of justice. The original indictment against Potts, filed in March of this year, did not include the bribery and wire fraud charges. Johnson, age 62, is charged in the superseding indictment with one count of conspiracy, wire fraud, one count of making a false statement, and one count of obstruction of justice. Johnson was not named as a defendant in the original indictment.

The superseding indictment states that during 2004, an investigation was initiated by the U.S. Department of the Interior and the Federal Bureau of Investigation into possible misdealing related to tribal gaming vendors and a casino development being proposed near Walker, Minnesota.

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Court documents in this case indicate that during 2003 and 2004, Potts owned a business called Cash Systems, Inc., which provided check cashing and other services to the Leech Lake tribe for its gaming operations. During that time, according to the indictment, Potts negotiated with the tribe to participate in the development of the new casino. The indictment alleges that while he held the interest in Cash Systems and was seeking other deals with the tribe, Potts caused \$35,000 to be wired to the tribe's gaming director; caused more than \$15,000 in cash to be paid to Johnson, who was then in charge of the tribe's business corporation; and caused several thousand dollars in cash to be paid to another tribal representative.

During the investigation into this matter, Potts allegedly conspired with Johnson to make false statements and otherwise obstruct the investigative process. Specifically, the superseding indictment states that when investigators interviewed Potts in 2005, he claimed the payment was a loan from his father and said nothing about his role in supplying the money. He also allegedly provided investigators with a fictitious promissory note to support his claim. When Johnson was interviewed in 2007, according to court documents, he denied having received any money from Potts.

If convicted, Potts and Johnson each faces a maximum potential penalty of five years in federal prison for conspiracy, up to ten years for the bribery count, up to twenty years for wire fraud, up to five years on each false statement count, and up to twenty years on each obstruction of justice count. Each offense also carries a potential \$250,000 fine. Any sentence, however, will be determined by a judge.

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This case is the result of an investigation by the Federal Bureau of Investigation and the U.S. Department of Interior, Office of Inspector General. The prosecutor in the case is Assistant United States Attorney Robert M. Lewis.

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An Indictment is a determination by a grand jury that there is probable cause to believe that offenses have been committed by the defendant. The defendant, of course, is presumed innocent until he or she pleads guilty or is proven guilty at trial.